

COMMONWEALTH OF VIRGINIA
DEPARTMENT OF GENERAL SERVICES
DIVISION OF PURCHASES AND SUPPLY
P.O. BOX 1199
RICHMOND, VIRGINIA 23218-1199

CONTRACT CHANGE AND RENEWAL

(Changes appear in Red)

1. DATE November 30, 2011
2. COMMODITY Paper Shredders
3. AGREEMENT NUMBER E194-510
4. SUPERSEDES E194-510-4
5. AGREEMENT PERIOD December 1, 2011 through November 30, 2012
6. AUTHORIZED USERS State Agencies & Other Public Bodies
7. CONTRACTORS HSM of America, LLC
1075 Andrew Drive,
West Chester, VA 19380
8. CONTRACTORS' PHONE NUMBERS 800-613-2110
9. TERMS Net 30
10. DELIVERY 7 Days ARO
11. MINIMUM ORDER One Shredder
12. Notice to all State Agencies and other Public Bodies: This purchasing agreement is optional use and is limited to orders that do not exceed \$5,000.00 (after discount and including freight).
13. **Note:** This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, § § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

FURTHER CONTRACT INFORMATION CONTACT:

Nancy Rowe, VCO
Statewide Contract Officer
Phone: (804) 786- 3854
Fax: (804) 786-0223
Email: nancy.rowe@dgs.virginia.gov

Nancy Rowe

By: _____
Nancy Rowe, Statewide Contract Officer

INSTRUCTIONS

1. ORDERS:
 - A. Unless otherwise instructed by the Division of Purchases and Supply, all departments, institutions and agencies of the Commonwealth of Virginia will order items/services through eVA.
 - B. If this contract is authorized for use by localities, Virginia cities, counties, towns and political subdivisions, orders will be placed through eVA to the maximum extent possible.
2. Important!! **The applicable contract number, federal employer identification number (FEI), and item number (for itemized contracts) must be shown** on each purchase order and copy, each facsimile transmission or given verbally when telephonic orders are placed.
3. Inspection on delivery and approval of vendor's invoice is the responsibility of receiving state agency, Virginia city, county, town or political subdivision.
4. Any complaint as to quality, faulty or delinquent delivery, or violation of contract provisions by contractor shall be reported to the Division of Purchases and Supply for handling with the contractor. Preprinted forms (DGS-41-024), by which to facilitate the notification of the contractor and this office of complaints, are available from the Division of Purchases and Supply (804) 225-4045.
5. Renewals. No renewals remain. The decision as to whether to exercise the next renewal option will be made by the contract officer approximately four to six months in advance of the expiration date of the current term.
6. Price Adjustments. During the current term of the contract, price escalation may be allowed every 365 days, if justified. The contract officer makes the decision to allow or deny a request for increase based upon the documentation submitted by the contractor. The contractor is required to pass on any price reductions immediately. **IMPORTANT!** All price increases must be approved by the contract officer. Contract users will be sent a Notice of Contract Change from this office as official notification of such changes, if approved.

CONTRACT VENDOR:

HSM of America, LLC
419 Boot Road
Downingtown, PA 19335
Contact Person: Rebecca Meick, VP of Operations
Contact E-mail: rebecca@hsmofamerica.com
Contact Phone: 484-237-2355, 484-237-2308
Contact Fax: 484-237-2356
Terms: Net 30
Delivery: 7 Days ARO

- For customer service, sales support, technical questions, and warranty issues, please call HSM at 484-237-2355.
- For sales related activities, The Supply Room, on behalf of HSM, may contact you for sales related activities. However, all purchase orders for items purchased against this state contract must be issued directly to HSM, not to The Supply Room.
- For "on location" maintenance/service calls, you may be contacted by Onsite Maintenance on behalf of HSM. However, you should first call HSM to place a warranty call.

E194-510-4 - **VENDOR - HSM of America, LLC**

Line: 1

NIGP Code: 60082

**HSM MODEL 70.2, STRAIGHT CUT,
SHRED SIZE 1/8" Strip Cut Paper Shredder**

Description: **5 sht_ltr_strip-cut_10** fpm

Specification: a. for desk top or wastebasket straddling operation, b. with the capability of shredding paper up to 8-3/4 inch in width, c. with the capacity for shredding up to five (5) sheets of 20 pound recycled multi-use paper, d. with a shred width of 0.10 inch to 0.15 inch, e. with a minimum shred speed of ten (10) feet per minute, f. with automatic start stop, g. with automatic shut off in a paper jam condition, h. with reverse function, i. with the capability of shredding an occasional small staple or small paper clip, j. for 120 VAC, single phase, 60 Hz power

Unit Price: **\$49.03**

Unit: each

Free On Board Name: FOB Destination-Freight Prepaid

Model: 70.2

Color: ALMOND

Shred Size: 1/8"

Warranty Type: 1 Year Full Warranty - Parts and Labor

Line: 2

NIGP Code: 60082

**HSM MODEL 70.2, STRAIGHT CUT,
SHRED SIZE 1/4" Strip Cut Paper Shredder**

Description: **5 sht_ltr_strip-cut_10** fpm

Specification: a. for desk top or wastebasket straddling operation, b. with the capability of shredding paper up to 8-3/4 inch in width, c. with the capacity for shredding up to five (5) sheets of 20 pound recycled multi-use paper, d. with a shred width of 0.10 inch to 0.15 inch, e. with a minimum shred speed of ten (10) feet per minute, f. with automatic start stop, g. with automatic shut off in a paper jam condition, h. with reverse function, i. with the capability of shredding an occasional small staple or small

paper clip, j. for 120 VAC, single phase, 60 Hz power,

Unit Price: **\$49.03**

Unit: each

Free On Board Name: FOB Destination-Freight Prepaid

Model: 70.2

Color: ALMOND

Shred Size: 1/4"

Warranty Type: 1 Year Full Warranty - Parts and Labor

Line: 3

NIGP Code: 60082

HSM MODEL 80.2cc, CROSS CUT, SHRED SIZE 1/8" X 5/8" Cross Cut Paper Shredder

Description: **5 sht_ltr_cross-cut_10 fpm**

Specification: a. for desk top or wastebasket straddling operation, b. with the capability of shredding paper up to 8-3/4 inch in width, c. with the capacity for shredding up to five (5) sheets of 20 pound recycled multi-use paper, d. with an acceptable cross-cut shred size of 1/8 inch by 5/8 inch or an area of less than or equal to 0.1 square inches, e. with a minimum shred speed of ten (10) feet per minute, f. with automatic start stop, g. with automatic shut off in a paper jam condition, h. with reverse function, i. with the capability of shredding an occasional small staple or small paper clip, j. for 120 VAC, single phase, 60 Hz power

Unit Price: **\$147.28**

Unit: each

Free On Board Name: FOB Destination-Freight Prepaid

Model: 80.2 CC

Color: ALMOND

Shred Size: 1/8 " x 5/8"

Warranty Type: 1 Year Full Warranty - Parts and Labor

Line: 5

NIGP Code: 60082

HSM MODEL 125.2, STRAIGHT CUT, SHRED SIZE 1/8" Strip Cut Paper Shredder

Description: **15 sht_ltr_strip-cut_15 fpm**
Specification: a. for desk-side or copy-room operation, k. with the capability of shredding paper up to 10 inch in width, l. with the capacity for shredding up to fifteen (15) sheets of 20 pound recycled multi-use paper, m. with a shred width of 0.100 inch to 0.150 inch, n. with a minimum shred speed of fifteen (15) feet per minute, o. with automatic start stop, p. with automatic shut off in a paper jam condition, q. with reverse function, r. with the capability of shredding an occasional small staple or small paper clip, s. for 120 VAC, 60 Hz power

Unit Price: **\$518.63**

Unit: each

Free On Board Name: FOB Destination-Freight Prepaid

Model: 125.2

Color: ALMOND

Shred Size: 1/8"

Warranty Type: 1 Year Full Warranty - Parts and Labor

Line: 6

NIGP Code: 60082

HSM MODEL 125.2, STRAIGHT CUT, SHRED SIZE 1/4" : Strip Cut Paper Shredder

Description: **20 sht_ltr_strip-cut_15 fpm**
Specification: a. for desk-side or copy-room operation, k. with the capability of shredding paper up to 10 inches in width, l. with the capacity for shredding up to twenty (20) sheets of 20 pound recycled multi-use paper, m. with a shred width of 0.225 inch to 0.275 inch, n. with a minimum shred speed of fifteen (15) feet per minute, o. with automatic start stop, p. with automatic shut off in a paper jam condition, q. with reverse function, r. with the capability of shredding an occasional small staple or small paper clip, s. for 120 VAC, 60 Hz power

Unit Price: **\$518.63**

Unit: each

Free On Board Name: FOB Destination-Freight Prepaid

Model: 125.2
Color: ALMOND
Shred Size: 1/4"
Warranty Type: 1 Year Full Warranty - Parts
and Labor

Line: 7

NIGP Code: 60082

**HSM MODEL 125.2cc, CROSS CUT,
SHRED SIZE 1/8" Cross Cut Paper Shredder**

Description: **15 sht**_ltr_cross-cut_15 fpm

Specification: a. for desk-side or copy-room
operation, b. with the capability of shredding
paper up to 10 inches in width, c. with the
capacity for shredding up to fifteen (15) sheets
of 20 pound recycled multi-use paper, d. with an
acceptable cross-cut shred size of 1/8 inch by
5/8 inch or an area of less than or equal to 0.1
square inches, e. with a minimum shred speed
of fifteen (15) feet per minute, f. with automatic
start stop, g. with automatic shut off in a paper
jam condition, h. with reverse function, i. with
the capability of shredding an occasional small
staple or small paper clip, j. for 120 VAC,
single phase, 60 Hz power

Unit Price: **\$622.39**

Unit: each

Free On Board Name: FOB Destination-Freight
Prepaid

Model: 125.2 CC

Color: ALMOND

Shred Size: 1/8"

Warranty Type: 1 Year Full Warranty - Parts
and Labor

Line: 8

NIGP Code: 60082

**HSM MODEL 225.2cc, CROSS CUT,
SHRED SIZE 1/4" X 1-1/4" Cross Cut Paper**

Shredder Description: **20 sht**_ltr_cross-cut_15

fpm Specification: a. for desk-side or copy-
room operation, b. with the capability of
shredding paper up to 10 inch in width, c. with

the capacity for shredding up to twenty (20) sheets of 20 pound recycled multi-use paper, d. with an acceptable cross-cut shred size of 1/4 inch by 1-1/4 inch or an area of less than or equal to 0.35 square inches, e. with a minimum shred speed of fifteen (15) feet per minute, f. with automatic start stop, g. with automatic shut off in a paper jam condition, h. with reverse function, i. with the capability of shredding an occasional small staple or small paper clip, j. for 120 VAC, single phase, 60 Hz power

Unit Price: **\$933.59**

Unit: each

Free On Board Name: FOB Destination-Freight Prepaid

Model: 225.2 CC

Color: ALMOND

Shred Size: 1/4" x 1 1/4"

Warranty Type: 1 Year Full Warranty - Parts and Labor

Line: 9

NIGP Code: 60082

HSM MODEL 390.2, STRAIGHT CUT, SHRED SIZE 1/8" Strip Cut Paper Shredder

Description: **35 sht_ltr_strip-cut_20** fpm

Specification: k. for desk-side or copy-room operation, t. with the capability of shredding paper up to 16 inch in width, u. with the capacity for shredding up to thirty-five (35) sheets of 20 pound recycled multi-use paper, v. with a shred width of 0.100 inch to 0.150 inch, w. with a minimum shred speed of twenty (20) feet per minute, x. with automatic start stop, y. with automatic shut off in a paper jam condition, z. with reverse function, aa. with the capability of shredding an occasional small staple or small paper clip, bb. for 120 VAC, 60 Hz power

Unit Price: **\$823.29**

Unit: each

Free On Board Name: FOB Destination-Freight Prepaid

Model: 390.2

Color: ALMOND

Shred Size: 1/8"

Warranty Type: 1 Year Full Warranty - Parts
and Labor

Line: 10

NIGP Code: 60082

HSM MODEL 411.2sc, SHRED SIZE: 1/4"

Strip Cut Paper Shredder Description: **50**

sht_ltr_strip-cut_20 fpm Specification: b. for desk-side or copy-room operation, t. with the capability of shredding paper up to 16 inches in width, u. with the capacity for shredding up to fifty (50) sheets of 20 pound recycled multi-use paper, v. with a shred width of 0.225 inch to 0.275 inch, w. with a minimum shred speed of twenty (20) feet per minute, x. with automatic start stop, y. with automatic shut off in a paper jam condition, z. with reverse function, aa. with the capability of shredding an occasional small staple or small paper clip, bb. for 120 VAC, 60 Hz power

Unit Price: **\$1,954.54**

Unit: each

Free On Board Name: FOB Destination-Freight
Prepaid

Model: 411.2

Color: ALMOND

Shred Size: 1/4"

Warranty Type: 1 Year Full Warranty - Parts
and Labor

Line: 11

NIGP Code: 60082

HSM MODEL 411.2cc, CROSS CUT,

SHRED SIZE: 1/8" X 2" Cross Cut Paper

Shredder Description: **35 sht_ltr_cross-cut_20** fpm Specification: k. for desk-side or copy-room operation, l. with the capability of shredding paper up to 16 inches in width, m. with the capacity for shredding up to thirty-five (35) sheets of 20 pound recycled multi-use paper, n. with an acceptable cross-cut shred size of 1/8 inch by 5/8 inch or an area of less than or equal to 0.1 square inches, o. with a minimum shred speed of twenty (20) feet per minute, p.

with automatic start stop, q. with automatic shut off in a paper jam condition, r. with reverse function, s. with the capability of shredding an occasional small staple or small paper clip, t. for 120 VAC, single phase, 60 Hz power

Unit Price: **\$2,164.67**

Unit: each

Free On Board Name: FOB Destination-Freight Prepaid

Model: 411.2 CC

Color: ALMOND

Shred Size: 1/8" x 5/8"

Warranty Type: 1 Year Full Warranty - Parts and Labor

Terms And Conditions

TAXES: Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION: The eVA Internet electronic procurement solution, web site portal www.eVA.virginia.gov streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will result in the bid/proposal being rejected.

- a.) eVA Basic Vendor Registration Service: \$25 Annual Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
- b.) eVA Premium Vendor Registration Service: \$25 Annual Fee plus the appropriate Transaction Fee specified below. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.
- c.) For orders issued prior to August 16, 2006 the Vendor Transaction Fee is 1% capped at a maximum of \$500 per order.
- d.) For orders issued August 16, 2006 and after, the Vendor Transaction Fee is: (i) DMBE-certified Small Businesses: 1% capped at \$500 per order. (ii) Businesses that are not DMBE-certified Small Businesses: 1% capped at \$1,500 per order.

RENEWAL OF CONTRACT: No renewals remain. This contract may be renewed by the Commonwealth under the terms and conditions of the original contract except as stated in 1. and 2. below. Price increases may be negotiated only at the time of renewal. Written notice of the Commonwealth's intention to renew shall be given approximately 90 days prior to the expiration date of each contract period. 1. If the Commonwealth elects to exercise the option to renew the contract for an additional one-year period, the contract price(s) for the additional one year shall not exceed the contract price(s) of the original contract increased/decreased by more than the percentage increase/decrease of the PPI Commodity Data Series Catalog: Series ID : WPS114 category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve months for which statistics are available. 2. If during any subsequent renewal periods, the Commonwealth elects to exercise the option to renew the contract, the contract price(s) for the subsequent renewal period shall not exceed the contract price(s) of the previous renewal period increased/decreased by more than the percentage increase/decrease of the PPI Commodity Data Series Catalog: Series ID : WPS114 category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest twelve months for which statistics are available.

WARRANTY: All materials and equipment shall be fully guaranteed against defects in material and workmanship for a period of "One-Year" following date of delivery. Should any defect be noted by the owner, the Purchasing Office will notify the contractor of such defect or non-conformance. Notification will state either (1) that the contractor shall replace or correct, or (2) the owner does not require replacement or correction, but an equitable adjustment to the contract price will be negotiated. If the contractor is required to correct or replace, it shall be at no cost to the Commonwealth and shall be subject to all provisions of this clause to the same extent as materials initially delivered. If the contractor fails or refuses to replace or correct the deficiency, the office issuing the purchase order may have the materials corrected or replaced with similar items and charge the contractor the costs occasioned thereby or obtain an equitable adjustment in the contract price.

PRICE ESCALATION/DE-ESCALATION: Price adjustments may be permitted for changes in the contractor's cost of materials not to exceed the increase in the Producers Price Index . No price increases will be authorized for 365 calendar days after the effective date of the contract. Price escalation may be permitted only at the end of this period and each 365 days thereafter and only where verified to the satisfaction of the purchasing office. However, "across the board" price decreases are subject to implementation at any time and shall be immediately conveyed to the Commonwealth. Contractor shall give not less than 30 days advance notice of any price increase to the purchasing office. Any approved price changes will be effective only at the beginning of the calendar month following the end of the full 30 day notification period.

PRICE ESCALATION/DE-ESCALATION: The contractor shall document the amount and proposed effective date of any general change in the price of materials. Documentation shall be supplied with the contractor's request for increase which will: (1) verify that the requested price increase is general in scope and not applicable just to the Commonwealth of Virginia; and (2)

verify the amount or percentage of increase which is being passed on to the contractor by the contractor's suppliers. The purchasing office will notify the using agencies and contractor in writing of the effective date of any increase which it approves. However, the contractor shall fill all purchase orders received prior to the effective date of the price adjustment at the old contract prices. The contractor is further advised that decreases which affect the cost of materials are required to be communicated immediately to the purchasing office.

The following clause is hereby added to the contract, effective October 1, 2011.

- **PURCHASE VOLUME REPORT**: The Contractor shall furnish an annual volume report within 15 days of the end of the expiration date of the contract term. Report shall list item(s) and or services performed during the previous year. These reports shall include: item purchased, date purchased, agency, quantity, each price, extended price, and eVA purchase order number.